

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
OVERVIEW AND SCRUTINY BOARD

Minutes of the Meeting held on 09 December 2024 at 6.00 pm

Present:-

Cllr S Bartlett – Chairman

Cllr S Aitkenhead – Vice-Chairman

Present: Cllr P Broadhead, Cllr L Dedman, Cllr C Goodall, Cllr S Mackrow,
Cllr L Northover, Cllr K Salmon, Cllr T Trent, Cllr C Weight and
Cllr M Tarling (In place of Cllr O Walters)

Also in attendance: Cllr P Canavan, Cllr M Cox, Cllr M Earl, Cllr J Hanna, Cllr K Wilson
and Cllr A Martin

Also in attendance virtually: Cllr R Burton, Cllr A Keddie, Cllr C Rigby and Cllr T Slade.

71. Apologies

Apologies were received from Cllr J Beesley and Cllr O Walters.

72. Substitute Members

Cllr M Tarling for Cllr O Walters.

73. Declarations of Interests

Cllr M Tarling declared a disclosable pecuniary interest in agenda item 8, Pay and Reward Progress update as a close family member was employed by BCP Council. He would not participate or vote on the item.

Cllr C Weight declared an other interest in agenda item 8 Pay and Reward Progress update as a family member was employed by BCP Council but they were not financially interdependent.

74. Confirmation of Minutes

The minutes of the meeting held on 18 November 2024 were approved as a correct record.

75. Action Sheet

The Board's Action Sheet was noted.

The actions which had been resolved were removed.

76. Public Issues

There were none received on this occasion.

77. BCP Community Safety Partnership Annual Report

Due to the number of items on the agenda and to allow sufficient time for consideration of time critical items it was agreed to defer further consideration of the report to the next scheduled Board meeting.

78. Pay and Reward progress update

The Portfolio Holder for Transformation Resources and Governance presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book. The Board was informed that since the creation of BCP Council through the merger of the four preceding councils in April 2019 work had been ongoing with the trade unions to negotiate a new Pay and Reward package which aligns pay and conditions across all colleagues.

The report sets out the results of the recent trade union ballot process and outlined the next steps. The Chairman invited the Unison Trade Union representative to address the Board. They noted the expected costs of fire and rehire and noted that the union was opposed to this approach and would challenge it if that was the route the Council chose to pursue. The Board raised a number of issues in the discussion of this issue which included:

The difference in timeframe between option 1 and 2 was only 3 months and the reasons for this being the recommendation option were discussed further. The Portfolio Holder confirmed that it was important to get the pay and reward process finalised for those staff currently affected.

It was noted that the staff voting no to the proposals may be unhappy with both the proposals and the journey. It was noted that there was a lot of difficult history with the process and talking about fire and rehire at this stage would make things more difficult.

In response to question regarding the numbers involved in the union ballot voting against the proposals the Director of People and Culture, advised that they do not have access to the numbers in terms of union membership, but they had a reasonable idea around the potential numbers

It was proposed and seconded that Cabinet be recommended to proceed with Option 1.

During discussion of the motion it was noted that the confidence of staff had already been affected by putting option 2 on the table but that the reasons for the recommendation were understood. The Portfolio Holder made it clear that if it became apparent that it was worth continuing conversations to reach agreement with the unions there could be flexibility of the timeline.

The motion was put to the vote but lost by 4 votes to 6.

The Board questioned the impact on Council finances incurred by the decision to progress with option 2 and whether the impact of this should mean that it was considered by Council. It was confirmed by the Chief Executive confirmed that the initial decision within the Cabinet paper would not need to go to full Council but that the final decision on termination and reengagement would need to go to Full Council.

It was noted that the project team was funded through to the end of this financial year. It would be around April 2025 that additional costs would be incurred and at that point further decisions may need to be taken

It was then proposed and seconded that Cabinet be recommended to proceed with option 2.

Concern was raised regarding the Board endorsing the recommendation at option 2 including the fire and rehire process. It was reiterated by the Portfolio Holder that nobody was in favour of fire and rehire but the process had been dragging on for a long time and there was a need to move forward as soon as possible.

RESOLVED that Cabinet be recommended to approve option 2 of the proposed process flowchart (Appendix 1 of the report) and the commencement of collective consultation under s188 of the Trade Union and Labour Relations (Consolidation) Act 1992 ('TULRCA'), which is a statutory obligation where an employer is proposing to dismiss 20 or more employees.

Cllr K Salmon and Cllr S Aitkenhead asked to be recorded as voting against the motion.

Voting: 6 in favour 2 against, 2 abstentions

79. Housing Delivery Council Newbuild Housing and Acquisition Strategy (CNHAS) update and Harbour Sail acquisition

The Portfolio Holder for Housing and Regulatory Services presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'B' to these Minutes in the Minute Book. The report provided an update on the Council Newbuild Housing and Acquisition Strategy established in 2021 and set out the priorities for delivering more Council owned homes of all tenures. The report included the acquisition of the Harbour Sail, a 12-storey high-rise building in Poole, under the Council's New Build Housing and Acquisition Strategy (CNHAS) Programme 4a (subject to satisfactory warranties and no incumbrance to lettings). The building comprises 32 leasehold flats currently owned by Stonewater Limited. The acquisition was intended to provide temporary accommodation as part of the Council's broader housing strategy.

The Board noted that 105 properties had been acquired but only 46 of these had been let. There was potentially a significant financial impact of acquiring those properties and at the same time still paying for people to be

housed in bed and breakfast accommodation. If the pace of acquisition continued there would need to be a strong project management plan in place to ensure that the properties were turned around in a timely fashion. The Plans would be shared with the Board once they were available

It was noted that responsibility for the programme was shared across a number of different services and the Board asked about the capacity of the Council to be able to do the work required in order to get properties into a condition that can be let. The Portfolio Holder was asked about how the organisation was set up to accommodate this and who had overall responsibility for ensuring the finances were used effectively. The Portfolio Holder advised that responsibility was shared but was taken extremely seriously, it was noted that when there had been issues resources were relocated in order to try to reduce void periods. It was important to be flexible in order to improve delivery.

In response to a query around the Seascope acquisition for Assured Shorthold Tenancies programme it was noted that the immediate need was to reduce the numbers of families in Bed and Breakfast accommodation which the temporary accommodation was focused on. The Seascope lets were longer term to provide stability and help encourage people to settle into paying rent regularly.

It was noted that the MTFP paper set out the debt of the Council as being in the mid-range compared to other local authorities. It was noted that the viability of an acquisition programme always needed to be considered, especially in light of the current level of interest rates.

Queries were raised about the quality of properties being purchased and the time taken to let them. It was noted that properties were purchased in various different conditions and therefore the time taken to have them ready for let was varied. It was questioned whether the programme had had an impact on the market. There was a need to ensure that properties were not clustered in specific areas. The financial feasibility was gone through to ensure that each property purchase on its own was viable. It was noted that a number of properties had only recently completed. There had been a flow of properties coming through since February 2023.

A request was made to benchmark on voids against other local authorities. The Portfolio Holder undertook to look into this. However, it was noted that not many authorities had similar programmes, and it may be difficult to get any relevant information on this.

An issue was raised with a specific property acquisition which had led to the sitting tenants facing eviction to allow the sale to proceed. The Board was advised that this situation was a one-off and any properties brought in the future would need to be vacant prior to purchase.

The Board asked about the level of tenant turnover. When people were being placed within temporary accommodation, previously people were in bed and breakfast accommodation for several months. The Council worked

with those accessing temporary accommodation to get something more permanent within the different housing sectors.

The Board asked for the overall number of temporary accommodation units. The Portfolio Holder undertook to provide this information. It was noted that there was a need to build more affordable homes and that even though accommodation was originally purchased at some point as temporary accommodation it could still be repurposed for other usages.

The Board requested to go into exempt session to consider information within the exempt appendix to the report it was therefore: RESOLVED that under Section 100 (A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 in Part I of Schedule 12A of the Act and that the public interest in withholding the information outweighs such interest in disclosing the information.

The meeting adjourned at 7:50pm and resumed at 7:58pm in exempt session.

During exempt session questions were raised and responded to concerning the sale of the Harbour Sail property and the rationale for the Council purchase of it.

The meeting returned to public session and consideration was given to the recommendations outlined in the Cabinet report.

RESOLVED that the Overview and Scrutiny Board recommend that Cabinet support the recommendations as set out in the report as follows:

Recommend to Council to Approve:

- a)
 - I. **The Acquisition of Harbour Sail including 32 leasehold flats for temporary affordable housing in accordance with the budget outlined in the exempt report attached at Appendix 4.**
 - II. **Approval to proceed with the acquisition and delivery of 16 homes by March 2026 under the LAHF3 programme.**
- b) **Approve the delegation to the Chief Operations Officer in consultation with the Director of Finance and the Director of Law & Governance of authority to enter contracts related to activity set out in this report.**

RECOMMEND to Audit and Governance Committee to recommend to Council:

- c) **Increasing the authorised borrowing limit of the Council to accommodate the budget set out in the exempt report at Appendix 4 for the purchase of Harbour Sail.**

Voting: Unanimous

80. Scrutiny of Budget related Cabinet Reports

The Portfolio Holder for Finance presented the following three reports, a copy of each had been circulated to each Member and the reports appear as Appendices 'C', 'D' and 'E' to these Minutes in the Minute Book.

- Medium Term Financial Plan Update
- Council Budget Monitoring 2024/25 at Quarter 2
- Assessing the serious cashflow issue caused by ever-increasing demand and cost outstripping High Needs Dedicated Schools Grant government funding.

The Board was informed that the MTFP aimed to ensure the council continued to maintain a balanced 2025/26 budget forecast by considering the impact that changes to the previous assumptions would have on the underlying approved position and taking mitigating action where necessary. This included the announcements relevant to local government in the 30 October Budget statement.

It was noted by the Board that this needed to be considered alongside the “Assessing the serious cashflow issue caused by ever-increasing demand and cost outstripping High Needs Dedicated Schools Grant government funding” report which provided an update on the ongoing conversation with the Department for Education (DfE) and the Ministry of Housing, Communities and Local Government (MHCLG) further to the letter of the Director of Finance issued on the 22 May 2024. This letter outlined concerns about the impact the ever-increasing deficit on the Dedicated Schools Grant (DSG) would have on the council's ability to set a legally balanced budget for 2025/26.

The budget monitoring report provided the quarter two 2024/25 projected financial outturn information for the general fund and housing revenue account (HRA). The Board was informed that the February 2024 approved general fund budget for 2024/25 was balanced on the assumption of £38m in savings, efficiencies, and additional resources. Consistent with the position being reported by other upper tier authorities, the relentless demand for services and ever-increasing costs is a continual financial challenge. The 2024/25 quarter two budget monitoring position for BCP Council was a net forecast overspend for the year of £3m.

Officers were committed to bring the forecast back into balance.

- A number of issues were discussed relating to all of the finance papers although there was a significant focus on the report addressing the DSG related cashflow issues, including:
- Local Government Finance Settlement - In response to a question the Chief Finance Officer advised that the Local government finance settlement was delivered in November. In which the Government set out its intention towards Local Authorities. Further details on the settlement

were still awaited. It outlined the basic principles on Council Tax increases which allowed for a 2.99 percent basic increase which was in line with the MTFP assumption. It was confirmed that the settlement was to include national insurance employer contributions for directly employed staff but would not cover the impact of increases in commissioned care costs. Support of the household support fund had also been confirmed. Further detail was expected on either 16 or 19 December.

- Budget monitoring – parking costs -The Board asked about the situation with bank charges and the impact that this was having on the budget as it was reported that there were significant costs occurred. It was hoped that the summer season would have had a positive impact on this. However, the weather had not been good which had further impacted on charges.
- The SEND statutory override – It was noted that this was due to finish on 31 March 2026. A member suggested that the Council should be working with the five local MPs to help ensure that the government was listening to the Local Authorities. It was noted that 4 out of the 5 MPs had already written on the issue and the fifth MP was taking it up directly through a parliamentary question. It was noted that the four options outlined in section 28 of the report to address this issue were all unpalatable. At the present time it was not possible to set a balanced budget and it was expected that if the government would need to provide direction on what they expected the local authorities to do.
- Cashflow impact - It was noted that any available cash in the Council's accounts was being used to cashflow the deficit and the cost to the council was being occurred in the loss of interest to the Council. It was noted that CIL funding was also included in the funds being used to cashflow this.
- Transformation programme – This was included in the MTFP report and it was expected that the main transformation programme was ending soon. However, there were further transformation programmes taking place including ones within Adults and Children's Services.
- Carter's Quay – The Board raised concerns regarding the release fee to the administrator and questioned the level of costs for this. It was noted that this was still highlighted as a potential risk for the Council.
- Contingency – The Board questioned how the Council would be able to address any unexpected issues given the contingency has been depleted. It was noted that the monitoring report was aiming to provide a realistic projected picture in terms of contingency use. It was imperative that everybody worked together to address the projected overspend.
- Additional capital programmes – It was noted that there was a lot of work being undertaken on the Capital programme and that something more transparent would be brought to a future meeting.
- Concern was raised that only 88 percent of savings were on track to be realised and the contingency had been used in full. It was noted that reserves were also expected to fall. The Portfolio Holder responded that they had a reasonable level of confidence to achieve the savings outlined but it was expected that these would be achieved in a longer timeframe than anticipated.

- High Needs DSG impact – It was noted that SEND leaders within the Council did not have the power to address the issue which was the demand created but not by those who needed to fund it and a lack of provision in the areas in which it was needed. Decision makers outside of the influence of the SEND budget, within BCP there was an improving SEND system but many of the demands were beyond the Council's control.

81. BCP Council Libraries – Update on Library Strategy Development

The Portfolio Holder for presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'F' to these Minutes in the Minute Book. The Board was advised that the report provided an update to Cabinet on progress being made with the future library strategy following consultation with the Public during May and June 24. It also included the Needs Assessment document which had been developed to aid the evaluation of any future proposed change. The report set out the next phase of work to determine recommendations in relation to the future library service model and explained the connection with the wider asset management work which was underway organisationally to seek efficiencies around the corporate estate. It was anticipated that the key elements of the future library strategy would be presented no later than the end of May 2025, including potential options on a site-by-site basis. The Board raised a number of issues in discussion on this item including:

- Access to refreshments - there were many respondents dissatisfied with the access to refreshments in libraries and there was a request to have café facilities within libraries.
- Use of online Services – it was interesting to see that the survey respondents didn't appear to use online services very often and it was noted that perhaps access to this service versus the cost of provision could be considered
- Survey responses – The Board welcomed the very comprehensive survey responses and noted that it was interesting to see the use of libraries within different areas. It was noted that the main reason for library visits was the books but that this was combined with other reasons.
- Friends of Library Organisations – it was suggested that if people were given the opportunity to do this it may be welcomed. It was noted that there was assistance available to help with setting friends groups up.
- Community use of Libraries – Encouraging community use of libraries was a positive step but it was noted that it was important to explain and promote the size and facilities for these and also how people could book them.
- Survey results – It was suggested that it was important to recognise that the results of the survey were not necessarily representative. For example, there were a number of resources available which could be accessed online and perhaps those responding to the consultation accessing physical libraries were different to those accessing online resources.

- Potential change of location or co-location of services – The Board questioned whether this could mean that some of the library services would be closed. The Portfolio Holder advised that it was their ambition to retain 24 libraries across the conurbation, but individual library locations may be given consideration.
- Budget – There were some concerns raised at the potential direction the strategy may take when proposed. It was noted that the Library services budget has been reduced incrementally overtime and it wouldn't be possible to continue in the same vein which was why the renewed strategy was required.

RESOLVED that the Overview and Scrutiny Board recommend that Cabinet support the recommendations as set out in the report as follows:

- (A) notes the content of the report and outcomes of the Public Consultation**
- (B) notes and comments on the planned tranches of work to define the service offer and the options appraisal process regarding building**
- (C) approves the timescale of no later than end of May 2025 for presenting the key elements of the future library strategy**

Voting: Nem. Con.

82. Work Plan

The Chair presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'G' to these Minutes in the Minute Book. The Overview and Scrutiny (O&S) Board is asked to consider and identify work priorities for publication in a Work Plan.

It was noted that the Board had expressed a preference to take the Arts and Culture Funding Report as its next scheduled pro-active scrutiny item.

The Board noted the current working group on the Consultation Framework would need to meet for the first time in February 2025.

The Chairman advised that further potential working groups on the issues raised by the BID briefing would also need to be considered. The Board agreed to add a working group on this issue to the Work Plan.

Items for the meeting in January were noted.

The meeting ended at 9.45 pm

CHAIRMAN